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CABLE ADDRESS



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MEMORANDUM

TO: Mr. Max Millikan

FROM: Mr. Richard Tyner

SUBJ: Further observations on draft report

As I think back over the several meetings which I have attended in your office, it seems to me that my remarks have chiefly concerned themselves with four points:
(1) the interpretation of your directive for the National Security Council,
(2) the importance of the collecting aspect of the problem, (3) the apparent overemphasis on the military, (4) the apparent overemphasis on the immediate situation as opposed to the need for establishing intelligence requirements from a somewhat longer-run perspective. I thought I would send on to you some brief comments and notes on each of these four points.

- 1. Interpretation of the National Security Council Directive. At our meeting of several weeks ago I personally attempted to interpret your Directive in a much broader way than was indicated by your first draft outline. Be that as it may, my basic point was that the report needed to define the area with which it was concerned irrespective of whether that was broad or narrow. The present draft outline most adequately meets my worry with regard to this matter. I think that it clearly defines the problem in terms of the IAC agencies and that is a most proper approach. I am still of course concerned in my own thinking with certain problems that lie beyond that scope but I think the present approach in your report is most adequate to your problems.
- 2. Collection. I judge from your remarks of yesterday that you are now fully aware of the importance of this problem and so will only state here that to me it is important that at some time and at some place there be some kind of a review of the material collected, the personnel engaged in collection, and the organization for collection of economic information for the government in terms of the world-wide activities of the government. I think that you are related to this problem to the extent that in part the quality of your research will depend upon the proper organization of this work in the foreign field. I, myself, maybe somewhat over-impressed with the significance of this problem as it is an area in which I have had occasion to do some work and as it will be an increasingly important part of the work of this agency. You may wish to limit yourself in your report to some remarks or recommendations on this subject in your covering paper to the National Security Council, but I think that as a minimum, something of this kind should be done at this time.

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3. and 4. Emphasis on Military and Lack of Emphasis on Long-Range. I am covering items 3 and 4 as though they were one item not because they have to be related, but because, in my mind, they relate, insofar as we are here dealing with a very old problem; i.e., what emphasis do we place on the immediate day-to-day problem as opposed to the emphasis that should be placed upon working with a somewhat longer point of view or longer perspective?

In my comments on Friday I pointed out that I was not yet convinced that the final judgment between the United States and Rusia would be one that was made through war. The Russians so far have avoided war. The techniques that they used in the "conquest" of Czechoslovakia are as good an example as any of what I mean. adopted a similar approach both to France and Italy several years ago but were unable to reduce either of those countries to the position of satellites. I do not of course know why it is that the Russians have not at sometime in the past four years simply taken over the continent of Europe. It is possible that their failure to do so has nothing whatsoever to do with atomic bombs or their fear that had they embarked on such a course we would have defeated them. It is possible that the entire Russian program of conquest has been developed in terms of the capture of other countries through the nationals of those countries who are comunists and then the Russians only moving in to consolidate the communist position and then finally bringing about the reduction of the country to the level of a satellite. It is possible that the Russians have adopted this approach because they, themselves, may feel that to absorb all of Europe at one time through conquest is well beyond their administrative capacity? it may be that Russia does not want to have the Western European countries as satellites in the sense of Rumania, Bulgaria and Poland are, but that they are primarily concerned with control of Eastern Europe and sofar as possible beyond that a ring of friendly, if independent, states? it may be that Russia will never fight unless we by force of arms attempt to push her out of Eastern Europe and therefore presumably threaten her own territories. If Russia moves into Iran, it will be most likely at the request of an Iranian communist group and will have very little to do with military intentions, and the question this country must, of course, ask itself is what if anything we can or will do if the Russians take over through communist techniques Iran.

I mention these things simply because they indicate a few of the factors that do not necessarily relate to military intentions and because I feel most strongly not only that we may not have a war but that if we keep our minds too much on the military problem we may overlook what is the real purposive Russian effort by which our position in the world is to be consistently weakened.

Now I would like to indicate what, sofar as I have been able to ascertain, is sound U.S. Government policy and a kind of policy which it seems to me your report should, in part, reflect. As I understand, if I have read and heard correctly, we are in the process of preparing this country not for immediate war, but are trying to so organize our economy that over a period of 15 or 20 years we can both maintain a fairly high standard of living for our citizens, and at the same time be in a position to defend ourselves. I assume that in our foreign policy we are working with our allies in these same terms and in those areas of the world where there are countries which may become our allies we are pursuing much the same purpose I assume from Mr. Wilson's statements that his effort is towards Approved For Release 2000/07/05: CIA-RDP/9-01084A000100070006-5

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a tremendous increase in the productive capacity of the United States in the course of the next two years so that we can support the military effort as well as a high standard of living. I assume that the new foreign aid policy both in terms of economic support to Europe, technical assistance and long range development plans for such area countries as india is also geared to this primary purpose.

Now I cannot argue specifically with you in terms of what you indicate to be priority matters for study and research, but I do submit that your intelligence picture must contain in it room for research and analysis in terms of this longer-run picture, and in passing I would like to observe that long-run to me may not always concern the future but may sometimes mean that one takes a very long view of the past in order to better understand the immediate. This I think is particularly true of China. For an understanding of China today means an understanding of China and what has been taking place there for the last 100 years. I have emphasized this longer-range perspective and I suppose in all fairness I should be more specific than I have been. I will try to indicate a few topics by way of illustration, but will not attempt to divide the problem between the economic and the political or, if you will, the military.

First of all I must say that I approach this problem from an intellectual training that forces me to think of things in terms of years and centuries and that along with that my mind is unfortunately the kind that is forever looking backward and forward in terms of the present as opposed to the mind that is essentially concerned with today's operating problem. To me the world is obviously in a period of great ferment. The only comparable periods in modern history were the period of Renaissance and Reformation and possibly the period of the American and French Revolutions and the Napoleonic wars, though I do not believe that this period was anything like the early period in upsetting the minds of men. Just now we are passing through one phase of it and our immediate problem is, as you have pointed out, Russia. But I submit that even without the present military power of the Russians we would be in a world in which much of this ferment existed. In other words, Russia is, in part, typical of the ferment rather than in all cases the cause. Oversimplifying a complicated situation, I would say that the problem of the world as a whole and our own internal domestic problems are not greatly dissimilar, and by that I mean that we are in the process in this country of trying to create a democracy with an industrial base as opposed to a democracy resting on an agricultural base as it did 150 years ago.

I believe that mankind has, for better or worse, arrived at the notion that there is enough food in the world so that everyone should or could be able to eat properly and to live adequately in other matters. It maybe in the long-run that this hope on the part of mankind will prove to be operation bootstrap. But aside from whether this ferment throughout the world, this revolutionary kind of development, is finally successful or results in further tragedies for mankind/is the kind of situation which we are faced with, and it means not only changes in the power structure and relationships of nations but internal changes in this country and within other countries. It may or may not result in Europe in political integration which of course has been one of the half expressed purposes of Marshall Plan work, but in terms of this longer-range perspective there are already certain things happening in the world which to me are of very considerable importance in terms of the future existence of the United States in the world.

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For example the newspapers are now reporting a revolt in French Morocco and indicating that there is a relationship between this revolt and what has transpired within the last several years in Indochina, and so I ask this question: What is to be the end-product of this breakdown of colonialism as we have known it in the past century? Beyond that I am interested in knowing what is likely to transpire in the great continent of Africa in the course of the next 20 years as on the one hand colonialism collapses and on the other hand, due to American dollars, American techniques and American efforts the economic activity of that area of the world is tremendously increased? Is it to our interests to form close ties with those in Africa so that in a sense they, as minor geographical areas, become in some form, if only through investment, more closely attached to us than they are now to France or Belgium or England? What will be the new political forms developing, say in Africa? What kinds of forms do we want to see there? What development there is to our interest?

I, myself, am interested in, but not overly well-informed on the Asiatic countries, but I am curious as to what will transpire in China over, say the next 50 years. How long will it take the Chinese, whether working for themselves or for the Russians, to become industrialized? At what point will the growth of Chinese or Asiatic industry become a threat to this country and our position in the world? Personally I think we have about 50 years to consolidate our present position in the world and, if before that time there is no atomic war, either one of two things will have happened: (a) there will be a war between the East and the West or (b) we will have worked out some kind of a world structure that will absorb the friction and the animosities between races and nations.

I can only say that I would like to be in a position where I could sit down in the privacy of a study and try to work/these things that I have mentioned . in more complete detail if only for my own satisfaction. This is a rough memorandum done on a Saturday morning, and I submit it with a very considerable amount of hesitation, but I do submit it because in its incoherence, you may find an idea of some importance to you. Since coming to the Government some seven years ago I have always been perhaps over-worried by the way in which we work on a day-to-day basis, with the necessity we are under particularly in such an agency as ECA with solving the day-to-day operating problem, and I have been concerned with what seemed to me the fact that no place in the government was giving a proper emphasis to developing ideas, preparing analyses and, if you will, making guesses as to the future course of events. I am quite sure that somewhere in this country there are men capable of doing the kind of thing I am talking about. I feel confident that in terms of the economic evidence we have, in terms of the insight we have in men and in nations and in political developments, a very considerable amount of work can be done which will give us clues to the future or give us assumptions on which we can work in terms of the interest of this country and the wider interest of other nations and that this, in terms of the whole revolutionary process now going on in the world, is an essential thing to in some way undertake in this government. It would be my opinion that if you could in your report work out something that would take care of both the immediate and the pressing and along with that plans for research analysis and development of ideas and guesses and estimates on the future, this will be rendering a very valuable service to the government. I feel that specifically this can be thoroughly justified in terms of the fact that the major assumptions of our domestic and foreign policies are in terms of what is going to transpire in the course of the next 15 to 25 years.